Supreme Court, U.S.
FILED
FEB 29 2016
OFFICE OF THE CLERK

No. 15-446

IN THE

Supreme Court of the United States

CUOZZO SPEED TECHNOLOGIES, LLC.,
PETITIONERS,

V.

MICHELLE K. LEE, UNDER SECRETARY OF COMMERCE FOR INTELLECTUAL PROPERTY AND DIRECTOR, PATENT AND TRADEMARK OFFICE,
RESPONDENT.

On Writ of Certiorari to the United States Court of Appeals for the Federal Circuit

BRIEF OF *AMICUS CURIAE* MITCHELL HAMLINE SCHOOL OF LAW INTELLECTUAL PROPERTY INSTITUTE IN SUPPORT OF PETITIONERS

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FEBRUARY 29, 2016

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INTEREST OF *AMICUS CURIAE*[1]

The Intellectual Property Institute is an entity within Mitchell Hamline School of Law. The mission of the Institute is to foster and protect innovation through education, research, and service initiatives. Among its activities, the Institute advocates for the responsible development and reform of intellectual property law, including patent laws and the patent system of the United States. A purpose of the Institute is to raise issues and arguments in light of the public interest and the best interests of the patent system as a whole. The Institute has no financial interest in any of the parties to the current action.

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[1]Pursuant to Supreme Court Rule 37.6, no counsel for a party authored this brief in whole or in part, and no counsel or party made a monetary contribution intended to fund the preparation or submission of this brief. No person other than *amicus curiae* or its counsel made a monetary contribution to its preparation or submission. Additionally, counsel for both parties have consented to the filing of this brief, and their consents have been filed with the Clerk of this Court.

SUMMARY OF ARGUMENT

The claims of an issued patent should be given the meaning that "a skilled artisan would ascribe in the context" of the issued patent.[2] It is unreasonable to assign them their broadest reasonable interpretation ("BRI rule"). The skilled-artisan standard is used universally in infringement suits and other actions originating in the district courts.[3] The BRI rule, in contrast, has been used mainly in the United States Patent and Trademark Office (USPTO), during prosecution of *ex parte*, original applications for patent.[4]

The BRI rule has a narrow justification: it attempts to deal with the ambiguity and predictive uncertainty associated with interpreting patent claims while the record of prosecution, and the patent document itself, are not yet settled.[5] Even the decisions that apply the

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[2] *Teva Pharma. USA, Inc. v. Sandoz, Inc.*, 574 U.S. ___, 135 S. Ct. 831, 841 (2015) (emphasis removed).

[3] *See, e.g., Markman v. Westview Instruments, Inc.*, 517 U.S. 370 (1996); *Phillips v. AWH Corp.*, 415 F.3d 1303 (Fed. Cir. 2005).

[4] *See, e.g., In re Carr*, 297 F. 542 (App. D.C. 1924); *In re Prater*, 415 F.2d 1393, 1404–05 (CCPA 1969); *In re Zletz*, 893 F.2d 319, 321 (Fed. Cir. 1989); *In re Buszard*, 504 F.3d 1364, 1366–67 (Fed. Cir. 2007).

[5] *See, e.g., In re Prater*, 415 F.2d 1393, 1404–05 (C.C.P.A. 1969) ("[C]laims yet unpatented are to be given the broadest reasonable interpretation consistent with the specification during the (continued...)

BRI rule note that its application is premised on the patent applicant's ability, in response to the USPTO's actions, to change the language of the patent claim freely.[6]

The proper role of the BRI rule in post-grant proceedings is clear. In those proceedings, the patentee's freedom to amend the patent claim is seriously curtailed in several ways.[7] Therefore, the BRI rule should not apply.

More broadly, logic and good order also argue strongly against using the BRI rule at any point after the patent has issued. As its name suggests, the BRI rule will assign the patent claim, in most instances, a technological scope that is larger than the patentee has actually been granted. Allowing the USPTO to use the

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[5](...continued)
examination of a patent application since the applicant may then amend his claims, the thought being to reduce the possibility that, after the patent is granted, the claims may be interpreted as giving broader coverage than is justified.").

See also, e.g., In re Zletz, 893 F.2d 319, 321 (Fed. Cir. 1989); *In re Buszard*, 504 F.3d 1364, 1366–67 (Fed. Cir. 2007).

[6]*See, e.g., In re Prater*, 415 F.2d 1393, 1404–05 (CCPA 1969); *In re Zletz*, 893 F.2d 319, 322 (Fed. Cir. 1989).

See also Burlington Indus., Inc. v. Quigg, 822 F.2d 1581 (Fed. Cir. 1987).

[7]*See, e.g.*, 35 U.S.C. § 316(d); 37 C.F.R. § 42.221(a) (implementing 35 U.S.C. § 316(d)).

See also, e.g., 35 U.S.C. §§ 318(d) (intervening rights in IPR proceedings); 252 (intervening rights generally).

BRI rule in post-grant proceedings therefore presents a scenario that is nonsensical: the agency evaluates the validity of patent rights that do not exist, and which will never impact the public domain; thereafter, it uses its determination of this fanciful issue to govern the existence of patent right that do exist, and which often have substantial economic value.[8]

Frankly, it is hard to see any public good that results from this sequence of events. In contrast, the harms, both to the individual patentee and to the patent system, are plain.

ARGUMENT

A. The BRI Rule Addresses Only Narrow Issues in Original Prosecution

The Patent Office's use of the BRI rule during original prosecution dates back to at least the first decade of the 1900s, when several decisions by Commissioner Allen refer to the practice expressly.[9] The beginning of the rule in the agency actually may

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[8] *See, e.g., Fresenius USA, Inc. v. Baxter Intern'l., Inc.*, 721 F.3d 1330 (Fed. Cir. 2013).

[9] *See Briggs v. Lillis v. Cooke v. Jones & Taylor*, 1905 Dec. Comm'r. Pat. 168; *Ex Parte Culter*, 1906 Dec. Comm'r. Pat. 247; *Podlesak and Podlesak v. McInnerney*, 1906 Dec. Comm'r. Pat. 265.

be considerably older,[10] perhaps coinciding roughly with the adoption in the Patent Office of peripheral claim interpretation. By the early 1920s the rule in the Patent Office was so common that various sources described it as well established.[11]

The BRI rule is best understood as an effort to protect the public domain. Because a patent claim uses language, it is ambiguous, in the sense that the claim potentially could be interpreted to have various different meanings. While only one of these meanings ultimately will be deemed legally correct during infringement litigation, during original prosecution that meaning may be difficult to predict. Instead, there may be several different interpretations that a court might reasonably choose.

The BRI rule requires the USPTO during original prosecution to use the candidate reasonable interpretation that is the broadest. This broadest reasonable interpretation of the claim would have the largest impact on the public domain. By using it, the agency explores whether the "worst-reasonable-case" intrusion into the public's right to use is justified, should the courts select that version of the patent right after issuance.

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[10] *See Hedlund v. Curtis*, 80 Manuscript Decisions 278 (prior to 1869, exact date unknown).

[11] *See, e.g., In re Carr*, 297 F 542 (App. D.C. 1924).
See also, e.g., Arthur W. Cowles, Suggested Treatment of 'Functional" Claims, 6 J. Pat. Off. Soc'y 315 (1923-1924).

In this way the BRI rule bears some underlying similarity to the historical "Rule of Doubt." That rule was based on a recognition within the USPTO that the agency could not predict with certainty how the courts would eventually rule on particular questions of patentability. To guard against the agency acting on an erroneous conclusion that a claim was unpatentable, it adopted the practice of allowing patents to issue whenever the agency was at least "in doubt" whether the patent would be upheld by the courts.[12] It appears that, like the BRI rule, the Rule of Doubt was first expressly articulated in the Patent Office in the early 1900s. The USTPO and its reviewing court, the Court of Customs and Patent Appeals, abandoned the Rule of Doubt in about the late 1960s.[13]

B. In Post-Issuance Proceedings the Benefits of the BRI Rule are Outweighed By the Rule's Harm to the Patentee

The benefit of the BRI rule is weighed against the harm that use of the rule inflicts on the

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[12] *See, e.g., In re Hofstetter,* 362 F.2d 293 (1966), *cert. granted sub nom. Brenner v. Hofstetter,* 386 U.S. 990 (1967), *vacated,* 389 U.S. 5 (1967), *appeal dismissed,* 55 C.C.P.A. 1493 (1967); *In re Warner,* 379 F.2d 1011 (1967).

[13] *See, e.g., In re Mixon,* 470 F.2d 1374 (CCPA 1973).

See also, e.g., Becker and Heller, The "Rule of Doubt" . In re Hofstetter, 49 JPOS 607 (August 1967).

applicant/patentee.[14] During original prosecution this harm is minimal. Section 132 of the patent statute gives the applicant the right to amend the claims of the application during prosecution,[15] and this right can be repeated nearly *ad infinitum* through the filing of continuation applications[16] or requests for continued examination.[17] The applicant can therefore end the USPTO's exploration of an assertedly broadest reasonable interpretation by simply amending the patent claim until that interpretation is no longer reasonable. In this way, the patent applicant is encouraged to eliminate those potential claim interpretations that intrude into the public domain farther than the applicant intends.[18] In addition, during original prosecution, the presentation of these

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[14] *See, e.g., In re Yamamoto*, 740 F.2d 1569, 1572 (Fed. Cir. 1984) (BRI in *ex parte* reexamination proceedings) ("[A]n applicant's ability to amend his claims to avoid cited prior art distinguishes proceedings before the PTO from proceedings in federal district courts on issued patents. When an application is pending in the PTO, the applicant has the ability to correct errors in claim language and adjust the scope of claim protection as needed. This opportunity is not available in an infringement action in district court. ").

[15] 35 U.S.C. § 132(a) ("[I]f after receiving such notice, the applicant persists in his claim for a patent, with or without amendment, the application shall be reexamined ").

[16] *See* 35 U.S.C. § 120.

[17] *See* 35 U.S.C. § 132(b).

[18] *See, e.g., In re Prater*, 415 F.2d 1393, 1404–05 (C.C.P.A. 1969).

claim amendments has traditionally had little or no effect on the applicant's eventual patent rights beyond the substance of the amendments themselves.[19] For these various reasons, the USPTO's use of the BRI rule in original prosecution traditionally has been accepted.

1. Patentees Have No Real Ability to Amend in Inter Partes Review ("IPR")

In contrast, the harm from use of the BRI rule in post-grant proceedings is large. The present case is illustrative. Here, the patent is undergoing inter partes review under sections 311 through 319 of the patent statute.[20] Unlike an applicant, whose patent application is undergoing original examination, a patentee whose patent is in IPR has only very limited opportunities to amend the patent claim. Under section 316(d), for example, the patentee can amend the patent only once.[21] Obviously, this provides little real opportunity for the patentee to explore alternate wordings of the claim that might remove a broadest reasonable interpretation from consideration.

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[19] *Compare Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co., Ltd.*, 535 U.S. 722 (2002) (discussing impact of claim amendments during original prosecution on prosecution history estoppel).

[20] 35 U.S.C. §§ 311-319.

[21] 35 U.S.C. § 316(d) ("During an inter partes review instituted under this chapter, the patent owner may file 1 motion to amend the patent ").

Moreover, the amendment under section 316 cannot be asserted by right; instead, it must be requested by motion.[22] Thus, permission to amend may be withheld. Indeed, various statistical studies of the USPTO's actions on these motions show that permission to amend is being granted only rarely, and that most IPR proceedings progress without amendment.[23]

This point needs emphasis. The statistical reports state that the USPTO is permitting claim amendments under section 316(d) at roughly the same rate that this Court grants petitions for certiorari.[24] The ability to petition for certiorari is not equivalent to appeal as a matter of right. By the same token, the USPTO's practice under section 316(d) is not the equivalent of a right to amend.

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[22] 35 U.S.C. § 316(d).

[23] *See, e.g.*, Fitzpatrick, Cella, Harper & Scinto, Just the Stats: IPR: Number of Claims Amended-Denied Amendments. http://www.postgranthq.com/statistics/ipr-decisions-on-requests-to-amend-the-claims/ (last visited Feb. 29, 2016) (As of June 30, 2015, the PTAB have granted motions to amend at a rate of 6.2 %).

See also 37 C.F.R. § 42.221(a) (implementing 35 U.S.C. § 316(d)).

[24] *See, e.g.*, Kedar S. Bhatia, Likelihood of a Petition Being Granted http://dailywrit com/2013/01 /likelihood-of-a-petition-being-granted/ (last visited Feb. 29, 2016) (reporting that Supreme Court, between June 30, 2011 and July 2, 2012 granted cert. on 4% of paid petitions).

2. Claim Amendments to Issued Patents Create Intervening Rights

Even if the USPTO were to make claim amendments more widely available in IPR proceedings, the harm from use of the BRI rule would still be too large to justify its use. Section 318(c) of the patent statute states that amended and new claims introduced in an IPR are subject to intervening rights.[25] Intervening rights are a doctrine first developed by decisions of this Court in connection with reissue practice.[26] They were codified as part of the Patent Act of 1952.[27] Speaking generally, they recognize the rights of persons who utilize, or who simply make substantial preparation to utilize, the subject matter of a patent claim added to a patent after issuance. Section 252 of the patent statute, which defines intervening rights, authorizes courts to restrict

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[25]35 U.S.C. § 318(c) ("INTERVENING RIGHTS. – Any proposed amended or new claim determined to be patentable and incorporated into a patent following an inter partes review under this chapter shall have the same effect as that specified in section 252 for reissued patents on the right of any person who made, purchased, or used within the United States, or imported into the United States, anything patented by such proposed amended or new claim, or who made substantial preparation therefor, before the issuance of a certificate under subsection (b).").

[26]*See, e.g., Sontag Chain Stores Co. Limited v. National Nut Co. of California,* 310 U.S. 281 (1940).

See also Pasquale J. Federico, Intervening Rights in Patent Reissues, 30 Geo. Wash. L. Rev. 603 (1961–62).

[27]Patent Act of 1952, 66 Stat. 792, ch. 950 (July 19, 1952).

the patent owner's normal control over the patented invention "under such terms as the court deems equitable for the protection of investments made or business commenced" prior to the new claim becoming effective.[28]

The existence of intervening rights is therefore especially damaging to the interests of a patentee who is facing the BRI rule. Because of those rights, an amended claim may be substantially less valuable and more difficult to enforce. For this reason, patentees are

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[28] *See* 35 U.S.C. § 252, par.2 ("A reissued patent shall not abridge or affect the right of any person or that person's successors in business who, prior to the grant of a reissue, made, purchased, offered to sell, or used within the United States, or imported into the United States, anything patented by the reissued patent, to continue the use of, to offer to sell, or to sell to others to be used, offered for sale, or sold, the specific thing so made, purchased, offered for sale, used, or imported unless the making, using, offering for sale, or selling of such thing infringes a valid claim of the reissued patent which was in the original patent. The court before which such matter is in question may provide for the continued manufacture, use, offer for sale, or sale of the thing made, purchased, offered for sale, used, or imported as specified, or for the manufacture, use, offer for sale, or sale in the United States of which substantial preparation was made before the grant of the reissue, and the court may also provide for the continued practice of any process patented by the reissue that is practiced, or for the practice of which substantial preparation was made, before the grant of the reissue, to the extent and under such terms as the court deems equitable for the protection of investments made or business commenced before the grant of the reissue.").

See also, e.g., BIC Leisure Products, Inc. v. Windsurfing Intern., Inc., 1 F.3d 1214 (Fed. Cir. 1993); *Shockley v. Arcan, Inc.*, 248 F.3d 1349 (Fed. Cir. 2001).

usually loathe to retreat from the exact text of an issued patent claim during any post-grant proceeding.[29] And yet the BRI rule may force them to do so even though good no purpose is being served.

It is true that the USPTO and its reviewing courts have used the BRI rule other post-grant proceedings, prior to Congress' creation of inter partes review,[30] even though these other proceedings are also subject to intervening rights.[31] These cases are not particularly compelling, however. They are of much more recent origin than the lead decisions that apply the BRI rule to original prosecution.[32] They do not discuss the impact of intervening rights on the patentee's freedom to amend. Other claim interpretation practices within the USPTO, of even longer standing, have been overturned since the structural reforms of the Federal

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[29] *See generally, e.g., Marine Polymer Technologies, Inc. v. HemCon, Inc.*, 672 F.3d 1350 (Fed. Cir. 2012).

[30] With regard to reissue proceedings, under 35 U.S.C. § 251, *see, e.g., In re Baum*, 374 F.2d 1004 (CCPA 1974); *In re Tanaka*, 551 F.2d 855 (CCPA 1977); *In re Ehrreich*, 590 F.2d 902 (CCPA 1979); *In re Reuter*, 670 F.2d 1015 (CCPA 1981); *In re Sneed*, 710 F.2d 1544 (Fed. Cir. 1983).

With regard to *ex parte* reexamination proceedings, *see, e.g., In re Yamamoto*, 740 F.2d 1579 (Fed. Cir. 1984).

[31] *See, e.g.*, 35 U.S.C. §§ 252 (reissue proceedings), 307(b) (*ex parte* reexamination).

[32] *Compare, e.g., Ex Parte Culter*, 1906 Dec. Comm'r. Pat. 247 *with In re Baum*, 374 F.2d 1004 (CCPA 1974) (reissue); *and In re Yamamoto*, 740 F.2d 1579 (Fed. Cir. 1984) (reexamination).

Courts Improvement Act of 1982[33] held them up to greater scrutiny [34]

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[33]An Act To establish a United States Court of Appeals for the Federal Circuit, to establish a United States Claims Court, and for other purposes, 96 Stat. 25 (April 2, 1982).

[34]*See, e.g., In re Donaldson Co., Inc.*, 16 F.3d 1189 (Fed. Cir. 1994) (interpretation of means expressions); *Atlantic Thermoplastics Co Inc v. Faytex Corporation*, 974 F. 2d 1299 (Fed. Cir. 1992) (interpretation of product-by-process claims); *Abbott Labs. v. Sandoz Inc.*, 566 F.3d 1282 (Fed. Cir. 2009) (interpretation of product-by-process claims).

CONCLUSION

For the forgoing reasons, the Institute respectfully submits that the panel decision of the Federal Circuit be reversed.

Respectfully submitted,

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Date: February 29, 2016